JOSEPH ONEBANE (1917-1987) JOHN G. TORIAN, II (1936-1991)

TIMOTHY J. MCNAMARA EDWARD C. ABELL, JR. LAWRENCE L. LEWIS, III † ROBERT M. MAHONY DOUGLAS W. TRUXILLO *
RANDALL C. SONGY MICHAEL G. DURAND GREG GUIDRY MARK L. RILEY GRAHAM N. SMITH * GARY P. KRAUS RICHARD J. PETRE, JR CHARLES J. BOUDREAUX, JR. THOMAS G. SMART ROGER E. ISHEE * STEVEN C. LANZA BRENT G. SONNIER *** GREG R. MIER †† FRANK H. SPRUIELL, JR. * MARIA FABRE MANUEL MICHAEL P. MARAIST JOAN LABBE BOUDREAUX



A Professional Corporation

1200 CAMELLIA BOULEVARD (70508) SUITE 300 POST OFFICE BOX 3507 LAFAYETTE, LOUISIANA 70502-3507

> FAX: (337) 266-1232 TELEPHONE: (337) 237-2660

> > WWW ONERANE COM

September 9, 2005

OF COUNSEL
WILLIAM E. KELLNER
MARK B. OLIVER
CRAIG A. RYAN
GREGORY K. MOROUX
FREDERICK R. PARKER, JR. †‡
MICHAEL D. SKINNER
DANIEL C. PALMINTIER

SHREVEPORT OFFICE

400 TRAVIS STREET, SUITE 1000 SHREVEPORT, LA 71101

TELEPHONE: (318) 674-9770 FAX: (318) 674-9775

- LL.M. IN HEALTH LAW
 BOARD CERTIFIED TAX ATTORNEY
 LL.M. IN TAXATION
 REGISTERED PATENT ATTORNEY
- * ALSO ADMITTED IN TEXAS

 ** ALSO ADMITTED IN MISSISSIPPI

 *** ALSO ADMITTED IN OKLAHOMA

1282-63224

APPLICATION

Honorable James H. Welsh Commissioner of Conservation P.O. Box 94275 Baton Rouge, LA 70804-9275

Re:

17,900' Tuscaloosa Sand, Reservoir A

18,800' Tuscaloosa Sand, Reservoirs A and B

Morganza Field

Pointe Coupee Parish, Louisiana

Dear Commissioner Welsh:

Application is hereby made on behalf of ENERGY PRODUCTION CORPORATION for the calling of a public hearing, after ten (10) days legal notice, to consider evidence relative to the issuance of an order pertaining to the following matters related to the 17,900' Tuscaloosa Sand, Reservoir A and the 18,800' Tuscaloosa Sand, Reservoirs A and B, in the Morganza Field, Pointe Coupee Parish, Louisiana, to-wit:

- To redefine the 17,900' Tuscaloosa Sand, Reservoir A, as being that gas and condensate bearing interval encountered between the depths of 17,944 feet and 18,844 feet, electrical log measurements, in the BP America Production Co. - Dorothy Brown #2 Well, located in Section 56, Township 4 South, Range 8 East, Pointe Coupee Parish, Louisiana;
- Simultaneously with the redefinition of the 17,900' Tuscaloosa Sand, to establish rules and regulations and create three (3) drilling and production units for the exploration for and production of gas and condensate from the 18,800' Tuscaloosa Sand, Reservoir A, such units to be designated 18800 TUSC RA SUA, 18800 TUSC RA SUB, and 18800 TUSC RA SUC;
- Simultaneously with the redefinition of the 17,900' Tuscaloosa Sand, to establish rules and regulations and create one (1) drilling and production unit for the exploration for and production of gas and condensate from the

18,800' Tuscaloosa Sand, Reservoir B, such unit to be designated 18800 TUSC RB SUA:

- 4. To force pool and integrate all separately owned tracts, mineral leases and other property interests within each of the proposed units, with each tract sharing in unit production on a surface acreage basis of participation;
- 5. To designate the BP America Production Co. (Amoco) F&L Planters No. 3 Well as the unit well for the proposed 18800 TUSC RA SUA, and to designate unit wells for the other proposed units, if appropriate;
- To designate BP America Production Company as the unit operator of 18800 RA SUA, and to designate Energy Production Corporation as the unit operator for 18800 TUSC RA SUC, 18800 TUSC RB SUA and 18800 TUSC RA SUB;
- 7. To provide that any wells drilled to the 18,800' Tuscaloosa Sand should be located in accordance with the spacing provisions of Statewide Order 29-E;
- 8. To provide that the Commissioner of Conservation should be authorized to reclassify each of the reservoirs by supplemental order without the necessity of a public hearing if the producing characteristics of the reservoir change and evidence to justify such reclassification is submitted to and accepted by the Commissioner of Conservation;
- 9. To consider such other matters as may be appropriate and justified by the evidence presented at the hearing.

The 17,900' Tuscaloosa Sand, Reservoir A, in the Morganza Field, Pointe Coupee Parish, Louisiana, was previously defined in Office of Conservation Order No. 1102, effective October 20, 1980, as amended by Order No. 1102-A, effective October 27, 1981, and Order No. 1102-A-10, effective September 19, 1995, and Order No. 1102-A-18, effective January 29, 2002.

The 18,800' Tuscaloosa Sand in the Morganza Field, Pointe Coupee Parish, Louisiana, is hereby defined as being that gas and condensate bearing interval encountered between the depths of 18,844 feet and 18,930 feet, electrical log measurements, in the BP America Production Co. (Amoco) - Dorothy Brown #2 Well, located in Section 56, Township 4 South, Range 8 East, Pointe Coupee Parish, Louisiana, and is further defined as being that gas and condensate bearing interval encountered between the depths of 18,772 feet and 18,860 feet, electrical log measurements, in the BP America Production Co. (Amoco) - F & L Planters No. 4 Well, located in Section 76, Township 4 South, Range 8 East, Pointe Coupee Parish, Louisiana.

The proposed redefinition of the 17,900' Tuscaloosa Sand would raise the base of the current defined interval from 18,930 feet to 18,844 feet in the Dorothy Brown No. 2 Well, thereby removing the subsurface interval between 18,844 feet and 18,930 feet from the definition. Under this proposal, the redefinition would apply to all 17,900' Tuscaloosa Sand units in the Morganza Field. Under this proposal, the exterior geographic boundaries of the 17,900' Tuscaloosa Sand units are not changed.

The subsurface interval which we propose to remove from the 17,900' Tuscaloosa Sand definition is the same interval which we are proposing to be adopted as the 18,800' Tuscaloosa Sand. The exterior geographic boundaries of the proposed 18,800' Tuscaloosa Sand units are identical to the exterior geographic boundaries of the corresponding 17,900' Tuscaloosa Sand units covering the same geographic area.

A conference to discuss the proposed application and any opposition thereto was held at 10:30 a.m., on Thursday, September 8, 2005, at City Club at River Ranch, 1100 Camellia Blvd., Lafayette, Louisiana (Phone: 337-216-6507). A list of the parties who attended the conference is attached hereto. Randall C. Songy, attorney for the applicant, opened the conference with a brief discussion of the Rules of Procedures. Frank Harrison, Jr., geological consultant for the applicant, explained the applicant's proposal and the geological, engineering and other bases therefore, and answered questions. Jim Hardwick, representing Silvermount Corporation, et al, made a presentation and indicated his clients were considering several different possible counterplans, but had not made a final decision. Bob Duplantis, representing Pennington Oil & Gas, stated that Pennington was still studying the issues and reserved its rights. The conference was then adjourned.

Pertinent data relating to the proposed application can be obtained, <u>AT THE COST OF THE REQUESTING PARTY</u>, by contacting Mr. Frank Harrison, Jr., 200 Audubon Blvd., Lafayette, LA 70503 (Phone: 337-232-4031).

There is attached hereto and made a part hereof two plats, one showing all of the the 17,900' Tuscaloosa Sand Units in the Morganza Field (the units to which the proposed redefinition would apply) and another plat outlining the proposed units to be created for the 18,800' Tuscaloosa Sand. There is also attached hereto a list of the names and addresses of the interested parties to whom this unitization proposal is being sent. Pursuant to the Revised Rules of Procedure, such list of parties is being furnished ONLY to the Commissioner of Conservation and to the District Manager of the Lafayette District of the Office of Conservation. However, the list of parties will be provided to any party requesting a copy of it. A reasonable effort was made to ascertain the names and addresses of all Interested Owners, Represented Parties and Interested Parties.

Finally, enclosed herein is our check in the amount of \$1,510.00 made payable to the Office of Conservation in payment of the required hearing application fee.

Very truly yours,

RANDALL C SONG

RCS/elg/bad

Enclosures

cc: Mr. Richard Hudson, District Manager

Office of Conservation

All Interested Owners, Interested Parties and

Represented Parties



